GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2522
ANSWERED ON:08.12.2006
DISPOSAL OF CONFISCATED PROPERTIES
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Singh Shri Kirti Vardhan

Will the Minister of FINANCE be pleased to state:

(a) whether the Department of Revenue has seized a number of properties in the process of tax recovery as reported in the Times of India dated October 7, 2006;

(b) if so, the details thereof;

(c) whether the Government has disposed of or any proposal to dispose of these properties;

(d) if so, the details thereof; and

(e) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MNISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Sir, Attachment of properties and their auctioning is a continuous process of the tax recovery mechanism of the Income Tax Department. However, properties purchased by the Appropriate Authority under Chapter XX-C of the IT Act, 1961 are not seized/attached properties as Appropriate Authority has never been part of the tax recovery process as reported in the Times of India dated October 7, 2006. Therefore, the Department's right to preemptive purchase of properties is totally different from tax recovery.

(b) Details of attached properties are not centrally maintained. The collection of information would require time and effort which will not be commensurate with the objective sought to be achieved. As regards the preemptive purchase of properties made under Chapter XX-C of the Act, 55 properties purchased by the Appropriate Authority are free from litigation.

(c) & (d) Does not arise in respect of attached properties in view of reply to (a) and (b) above. However, seven properties purchased by the Appropriate Authority under Chapter XX-C of the IT Act 1961 have been sold in auction in the current financial year.

(e) Instructions are given from time to time to dispose of the properties in auction or by other modes of disposal.